



**EVALUATION REPORT V**

on the

**GOLD KING MINE PROPERTY  
SAN JUAN COUNTY  
SILVERTON, COLORADO**

for

**GOLD KING CONSOLIDATED, INC.  
(Gold King Mines Corporation)  
Las Colinas Tech Center  
2112 Hurd Drive  
Irving, Texas 75038**

Denver, Colorado  
April 10, 1992

E. D. Black, P.Eng.  
MPH Consulting, Inc.

## 8.0 PRODUCTION

### 8.1 Past Production

The US Bureau of Mines reported total past production for the Gold King mine to be 665,000 tons of ore averaging 0.47 opt gold, 2.39 opt silver, 0.71% lead and 0.52% copper. Zinc production was not reported. Production from the Sunnyside mine is believed to have totalled 5,100,000 tons of ore, to 1975. Ore grade data for past production from the Sunnyside was not available to the writer, at the time of this report.

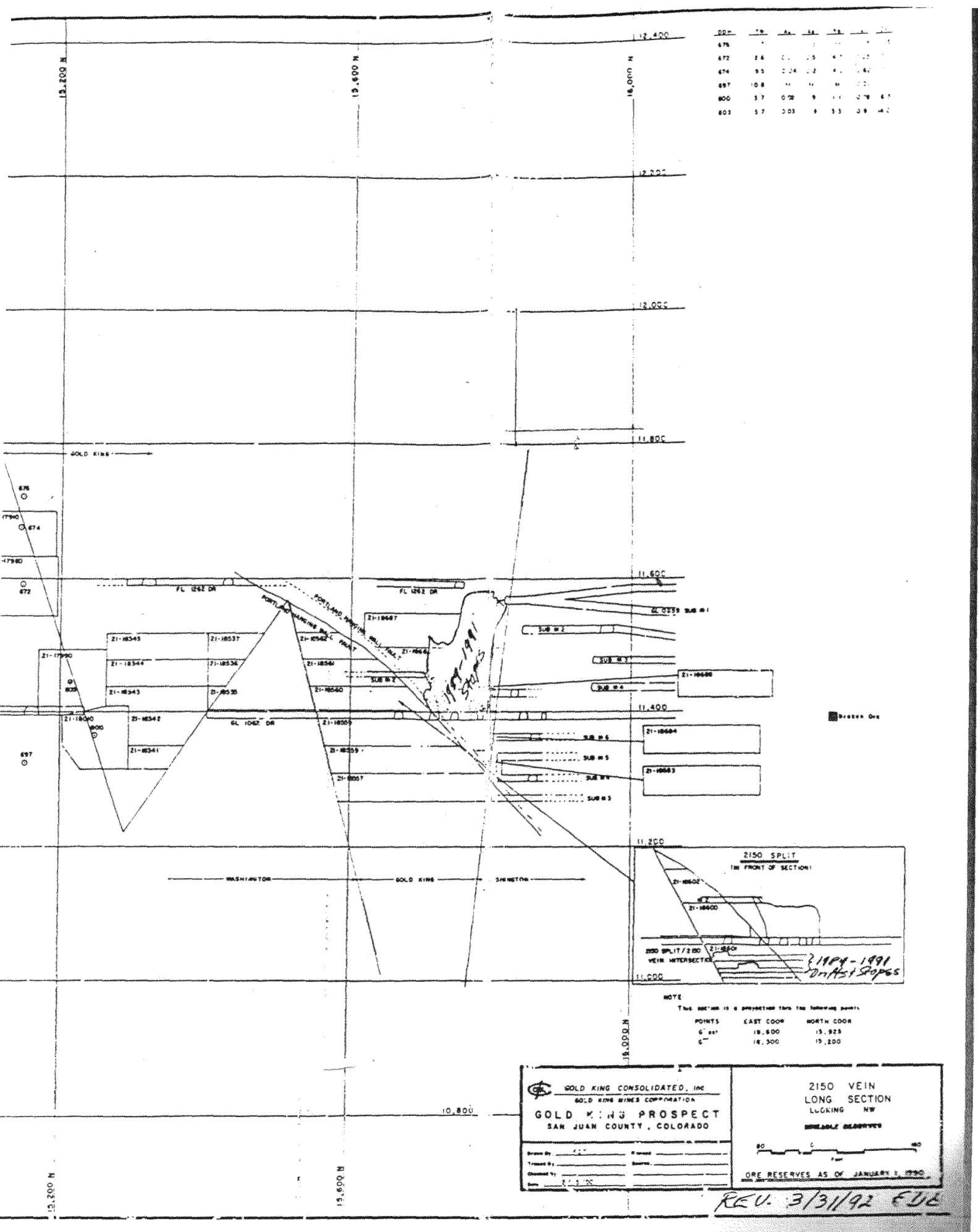
### 8.2 Recent Production

The main Gold King Mine claims have not been seriously mined since 1910 and therefore there are no production records since that time. During the recent rehabilitation period, Gold King Mines Corporation produced only a few hundred tons of muck that was milled at the Sunnyside (Mayflower) mill.

On the other hand the Gold King Extension claims experienced considerable recent development and production in the hands of various Sunnyside/Gold King partnerships and joint ventures - laterally, the San Juan County Mining Venture.

Ore production from the Gold King Extension claims was originally scheduled for late 1988 or early 1989; however, delays were experienced because of numerous organizational changes within the Sunnyside Gold group and extra time required to complete the ore-pass, develop sub-level mining drifts and carry out stope preparation. Shortly after completion problems developed in the new ore-pass, causing further delay. Production from the Gold King Extension claims did not finally begin until July of 1989.

Principal development drifts in this new mining zone were established on the "G" level and the "H" sub-levels (ie. above and below 11,500' asl). Three sub-levels were developed off the "H" level: ie. sub-3, sub-4 and sub-6, (See Dwg # 10 & Dwg # 11). Approximately 54 % of the production came from the Portland and approximately 37 % came from the 2150 vein. The 9 % balance was from vein splits and incidental development ore from raises and stope preparation on these two main vein structures, (See Table VIII).



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ED 000552B 00069313 00003

POINT	FEET	DEPTH	SL.	TYPE	GRADE	WT.
631	12	11,800	11	ORE	1.8	
632	12	11,800	12	ORE	1.8	
633	12	11,800	13	ORE	1.8	
634	12	11,800	14	ORE	1.8	
635	12	11,800	15	ORE	1.8	
636	12	11,800	16	ORE	1.8	
637	12	11,800	17	ORE	1.8	
638	12	11,800	18	ORE	1.8	
639	12	11,800	19	ORE	1.8	
640	12	11,800	20	ORE	1.8	
641	12	11,800	21	ORE	1.8	
642	12	11,800	22	ORE	1.8	
643	12	11,800	23	ORE	1.8	
644	12	11,800	24	ORE	1.8	
645	12	11,800	25	ORE	1.8	
646	12	11,800	26	ORE	1.8	
647	12	11,800	27	ORE	1.8	
648	12	11,800	28	ORE	1.8	
649	12	11,800	29	ORE	1.8	
650	12	11,800	30	ORE	1.8	

12,000  
11,800

12,000

11,800

Stops

11,600

Sub #6 DR

11,200

Broken Ore

Sub #4 DR

= Sub #3 DR

11,000

10,800

10,600

10,400 E

NOTE:  
This section is a vertical section. Use the following points:

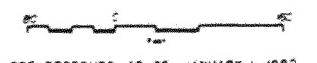
POINT	EAST COOR.	NORTH COOR.
PE	19,200	15,916
PE	19,400	15,141

 GOLD KING CONSOLIDATED, INC.  
GOLD KING MINES CORPORATION  
**GOLD KING PROSPECT**  
SAN JUAN COUNTY, COLORADO

Brown by:	EDT.	Revised:	
Traced by:		Source:	
Checked by:		Date:	
Approved by:		Date:	

2/09/92

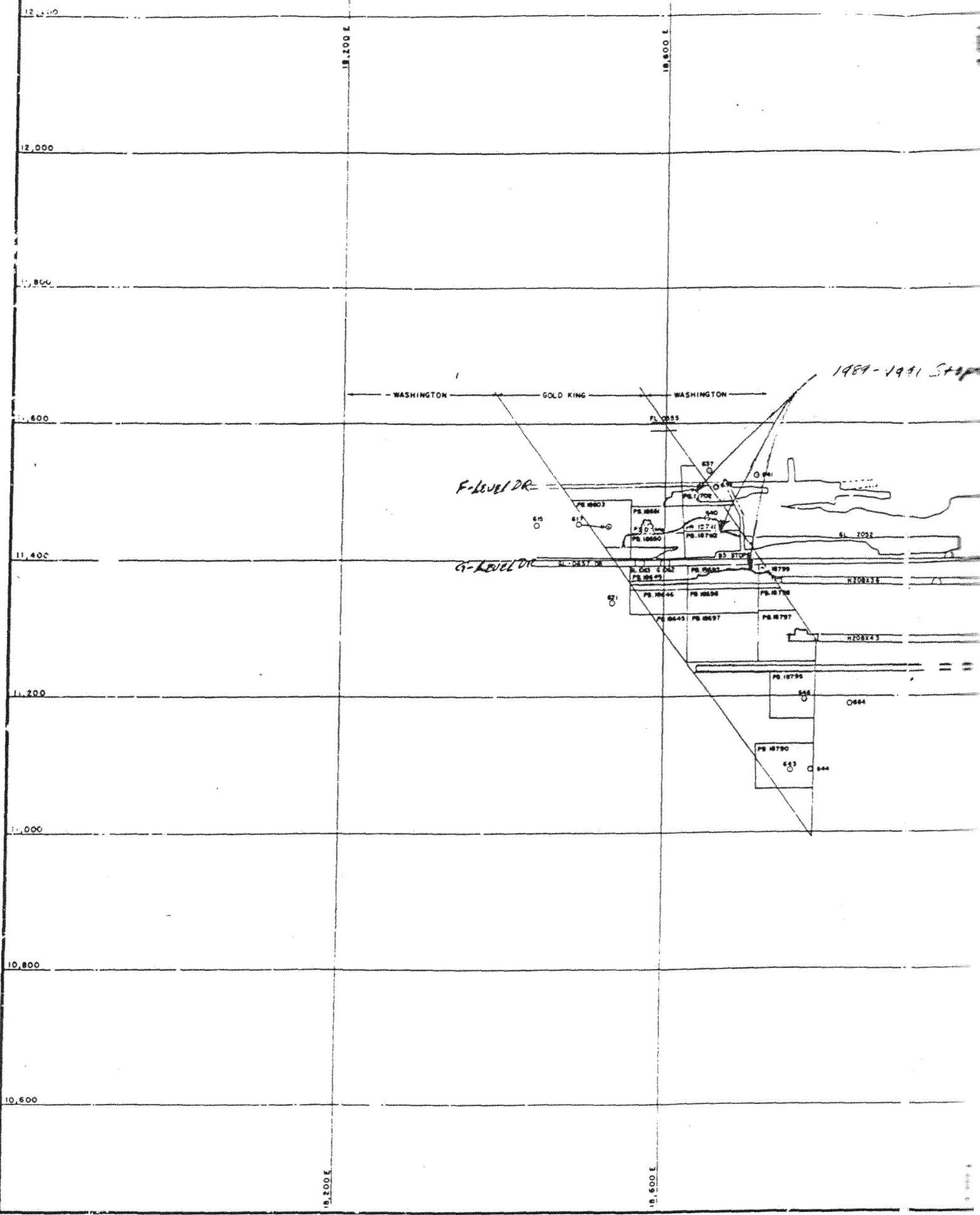
PORLAND BRECCIA  
LONG SECTION  
LOOKING N  
MINERABLE RESERVES



ORE RESERVES AS OF JANUARY 1, 1992

REV. 3/31/92 EDT.

DWG # 11



1786836

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**TABLE VIII**  
**SJCM PRODUCTION RECORD**  
**GOLD KING EXTENSION CLAIMS**  
**SUMMARY OF PRODUCTION - UG SAMPLES & NET SMELTER VALUES**

Vein Source	Wet	Dry	Au	Ag	Pb	Cu	Zn	NSV
(ore)	(st)	(st)	(%)	(%)	(%)	(%)	(%)	\$
2150	12,281	11,911	0.29	3.9	3.3	0.91	5.3	132.65
Portland	17,943	17,313	0.10	2.9	4.2	0.85	7.2	79.65
Split	1,738	1,684	0.09	4.0	5.6	1.36	11.2	69.63
Incidental	1,523	1,474	0.15	2.4	2.0	0.59	3.2	76.20
Totals & Averages	33,485	32,382	0.17	3.3	3.8	0.89	6.5	98.41

N.B. st-short tons, %-percent,Au-gold, Ag-silver, Pb-lead, Cu-copper, Zn-zinc, NSV-net smelter value at time of production.